

Members

Sen. Patricia Miller, Chairperson
Sen. Robert Meeks
Sen. Gary Dillon
Sen. Rose Antich-Carr
Sen. Billie Breaux
Sen. Vi Simpson
Rep. Timothy Brown
Rep. Mary Kay Budak
Rep. David Frizzell
Rep. Charlie Brown
Rep. William Crawford
Rep. Peggy Welch



SELECT JOINT COMMISSION ON MEDICAID OVERSIGHT

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MEETING MINUTES¹

Meeting Date: November 22, 2005
Meeting Time: 9:00 A.M.
Meeting Place: State House, 200 W. Washington
St., Room 431
Meeting City: Indianapolis, Indiana
Meeting Number: 5

Members Present: Sen. Patricia Miller, Chairperson; Sen. Robert Meeks; Sen. Gary Dillon; Sen. Billie Breaux; Rep. Timothy Brown; Rep. Mary Kay Budak; Rep. David Frizzell; Rep. Charlie Brown; Rep. William Crawford; Rep. Peggy Welch.

Members Absent: Sen. Rose Antich-Carr; Sen. Vi Simpson.

Upon seeing a quorum, Chairperson Miller called the meeting to order at 9:18 a.m. Chairperson Miller told the Commission that this is the last Commission meeting and is to vote on preliminary drafts and other measures. Seven votes are needed in order for any measure to be endorsed by the Commission.

PD 3076- Cash and Counseling Waiver

Representative Frizzell discussed the preliminary draft of Cash and Counseling Waiver legislation and commented on a study on consumer-directed home care and the effects on family caregivers. (See Exhibit 1, Consumer-Directed Home Care: Effects on Family

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Caregivers, provided by Melissa Durr, Area Agencies on Aging). The intent of the waiver is to complement and provide supplemental resources rather than replace informal, unpaid for family care. Representative Frizzell moved that the Commission recommend PD 3076. The motion was seconded and roll call was taken. The Commission approved endorsement of PD 3076 by a vote of nine to zero. See Exhibit 2.

PD 3198, Life Insurance and Medicaid

Representative Tim Brown informed the Commission that he authored a similar bill concerning life insurance premiums and Medicaid last year but that the bill was vetoed by the Governor. PD 3198 addresses some of the administration's concerns with the fiscal impact of the legislation. In response to a question by a Commission member, Secretary Roob, FSSA, stated that the PD does address some of their concerns but that they would like to continue working with Representative Brown on the draft. Representative Tim Brown moved that the Commission recommend PD 3198 and the motion was seconded. The Commission approved endorsement of PD 3198 by a vote of seven to one. See Exhibit 3.

Nursing home reimbursement- freeze/reduction

Chairperson Miller distributed language for the Commission to vote on as to whether to recommend FSSA's proposal to reduce nursing facility reimbursement rates. See Exhibit 4. Several changes to the document were made by the Commission. See Exhibit 4. Secretary Roob stated that the administration is trying to limit Medicaid growth expenditures to five percent. In order to meet this percentage, FSSA has to implement cuts in the Medicaid program and is specifically looking to achieve \$68.5 million in state and federal savings in nursing home reimbursement cuts. FSSA has been working with the three nursing home associations to try to reach an agreement on the cuts, and FSSA thought an agreement was reached last week in the manner to achieve this savings. However, Indiana Health Care Association (IHCA) has since decided not to support the agreement. The Commission clarified information provided by FSSA on the proposal- the five dollar rate reduction is per person per day and FSSA will adopt emergency rules to implement the changes.

Faith Laird, IHCA, stated that when FSSA first published the nursing home rate freeze proposal, IHCA opposed the freeze. However, since then, IHCA has hired a private consultant and discussed the matter with IHCA members. IHCA has reached the conclusion that a rate freeze would be better for the IHCA membership than any other proposal of reducing rates or changing components of the reimbursement methodology. Jim Leich, Indiana Association of Homes & Services of the Aging, stated that the proposal before the Commission is a variation of the inflation mechanism discussed at the previous Commission meeting, but should make it easier for nursing homes to maintain the required records. Bob Decker, Hoosier Owners and Providers for the Elderly, agreed that the proposed system will make it easier for nursing homes to keep track of the reimbursement. A Commission member moved that the proposal be recommended and the motion was seconded. Roll call was taken and the proposal was recommended by the Commission, eight to one. See Exhibit 4.

Nursing home reimbursement- quality assessment payments

FSSA started making additional payments to nursing homes as a result of the collection of the quality assessment fee in June, 2005. Responding to a question from the Commission, Secretary Roob stated that it was an oversight on FSSA's part in not asking for the Commission's recommendation of the reimbursement change in June. Secretary Roob assured the Commission that FSSA would adopt rules to reflect current practices in nursing home reimbursement. It was moved that the Commission recommend the reimbursement change that occurred in June, 2005, and the motion was seconded. The

proposed recommendation passed with a vote of eight to one. See Exhibit 5.

PD 3075- Extension of nursing facility quality assessment fee

Chairperson Miller stated that while she was aware that people were interested in having the nursing facility quality assessment fee extended for longer than one year, she is only comfortable with extending the assessment fee for one year. A motion to approve PD 3075 was made and seconded. PD 3075 was approved nine to zero. See Exhibit 6.

Chairperson Miller adjourned the meeting at 10:00 a.m.